



**Human Resources Branch
Management Action Plan
2005-731 Audit of Overtime Pay in PWGSC
September 5, 2006**

Recommendation	OPI	Implementation Actions	Action Implementation Date(s)	Responsibility for Delivery
<p>1. Ensure implementation of new procedures for verifying overtime claims to provide assurance of the adequacy and quality of the FAA Section 34 certification for overtime pay, consistent with the Treasury Board Accounts Verifications Policy. The verification procedures should include a risk-based examination of evidence supporting overtime claims processed.</p>	<p>DG Classification, Compensation & Business Transformation</p> <p>(From July, 2006) DG Labour Relations and Compensation Sector</p>	<ul style="list-style-type: none"> • Implement new procedures to review evidence supporting overtime claims, ensuring managers verify authenticity and legitimacy of claims. • Meet with Chief Financial Officer to identify aspects of National Accounts Verification Framework that may be applicable to overtime payment transactions. • Inform managers to retain evidence on file to support all overtime claims. • Inform managers that if Audit Services opts to verify their claims, they must be able to produce files. • Issue communiqué to all managers explaining their new responsibilities and the enhanced verification that will be conducted by Audit Services. • Develop a communications plan to inform managers of their responsibilities and how to fulfill them on a regular basis. 	<p>September 2006</p> <p>May 2006</p> <p>June 2006</p> <p>July 2006</p>	<p>Manager, Corporate Compensation</p> <p>Manager, Corporate Compensation</p> <p>Manager, Corporate Compensation</p>



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			<ul style="list-style-type: none"> • Sign an MOU requiring the quarterly review of all high-risk overtime claims (cash or time in lieu) with Audit Services. Auditors will request supporting information (rationale, project codes, etc). 	September 2006	DG Labour Relations and Compensation Sector
			<ul style="list-style-type: none"> • Develop the methodology for these reviews. 	October 2006	DG Labour Relations and Compensation Sector
			<ul style="list-style-type: none"> • Perform a pilot review. 	December 2006	DG Labour Relations and Compensation Sector
			<ul style="list-style-type: none"> • Perform the first full review. 	March 2007	DG Labour Relations and Compensation Sector
			<ul style="list-style-type: none"> • Contact other departments to determine best practices for dealing with the verification of overtime claims. 	September 2006	Manager, Corporate Compensation
			<ul style="list-style-type: none"> • Incorporate these best practices into policy as appropriate. 	September— December, 2006	DG Labour Relations and Compensation



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			<ul style="list-style-type: none"> Develop a risk management framework to aid in flagging high-risk claims. The framework will be developed through the MOU with Audit Services. 	September 2006	Sector Manager, Corporate Compensation
2.	<p>Improve the Management of Overtime Reports issued to Branches by:</p> <ul style="list-style-type: none"> Clearly reporting on individual overtime; and Providing standardized analysis (e.g., time series or cross sectional) on the information being distributed. 	<p>DG Classification, Compensation & Business Transformation</p> <p>(From July, 2006)</p> <p>DG Labour Relations and Compensation Sector</p>	<ul style="list-style-type: none"> Ensure reports clarify the relationship between reported overtime hours and compensation amounts. Consult with managers to determine how best to make reports more useful. 	<p>October 2006</p> <p>October 2006</p>	<p>Manager, Corporate Compensation</p> <p>Director, Compensation & Director, Compensation Systems</p>
3.	<p>Develop and implement the capability and procedures to verify overtime claims submitted through the LIMS system for which compensatory time off</p>	<p>DG Classification, Compensation & Business Transformation</p> <p>(From July, 2006)</p> <p>DG Labour</p>	<ul style="list-style-type: none"> Contact other departments to determine best practices for dealing with the verification of overtime claims. (especially related to compensatory time off) Incorporate these best practices into procedures for verifying overtime claims for 	<p>September 2006</p> <p>September - December 2006</p>	<p>Manager, Corporate Compensation</p> <p>Manager, Corporate</p>



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	(leave) is requested in lieu of cash.	Relations and Compensation Sector	<p>which time off is requested in lieu of cash, as appropriate</p> <ul style="list-style-type: none"> • Work with the Information Technology Specialists to identify potential system improvements that would assist in the verification of overtime requests and would enhance the quality of reports provided to Managers. • Train compensation advisors (corporate and operations) to challenge questionable claims • Review of time in lieu as well as cash payments will be included as part of the verifications conducted under the MOU (referred to under recommendation #1) • Review the existing policy and recommend changes to ensure internal audit issues are addressed and the policy is re-drafted 	<p>December 2006</p> <p>January 2007</p> <p>March 2007</p> <p>March 2007</p>	<p>Compensation</p> <p>Director, Compensation Systems & Director, Compensation Services</p> <p>Manager, Corporate Compensation</p> <p>CAC</p> <p>Manager, Corporate Compensation</p>
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